

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

September 6, 2016

Certified Return Receipt 7015 0640 0001 4528 8380

Tim Buchanan Chief Consolidated Mining Company 7703 Ralston Road Arvada, Colorado 80000-2431

Subject: <u>Division Directive to Reclaim, Chief Consolidated Mining Company, Tintic Operations, M/049/0062, and Lime Peak Quarry, M/49/0047, Utah County, Utah Cou</u>

Dear Mr. Buchanan:

The Division of Oil, Gas and Mining (Division) is issuing this Division Directive requiring Chief Consolidated to reclaim the Tintic and Lime Peak Mines as authorized by Utah Administrative Code Rule 647-4-117.4. The Division is taking this action based on our records which indicate that both the Tintic Operations and the Lime Peak mine have been in suspension for well over five years. You are hereby directed to have reclamation, including regrading and seeding work, completed by April 30, 2017.

In addition, civil penalties for Chief Consolidated's Failure to Abate Cessation Orders for each mine were assessed and are still outstanding at \$22,500 each, for a total of \$45,000.

Failure to conduct reclamation as required may result in formal action before the Board of Oil, Gas and Mining (Board) seeking forfeiture of the reclamation surety. If Chief Consolidated agrees with the Division's determination that the Tintic and Lime Peak Mines need to be reclaimed, the Division can work cooperatively to use the bond monies to accomplish reclamation. If not, the Division intends to file an action seeking an order from the Board withdrawing the permit and forfeiting the reclamation bonds so that the Division can use the funds to reclaim. The Division will also seek Board approval to collect the civil penalties in the appropriate district court. In either case, any bond money not used for reclamation will be returned to Chief Consolidated. If Chief Consolidated has not contacted the Division by October 1, 2016, to either (1) explain its plans to reclaim, or (2) authorize the Division to use the bonds to reclaim, the Division will proceed with filing an action before the Board.



Page 2 of 2 Tim Buchanan M/049/0047 and M/049/0062 September 6, 2016

If you have questions or concerns about this letter, please contact April Abate at 801-538-5214, or me at 801-538-5261. Thank you for your cooperation.

Sincerely,

Paul B. Baker

Minerals Program Manager

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cc: Melissa Reynolds, Utah Attorney General's Office p:\groups\minerals\wp\m049-utah\m0490047-limepeakquarries\final\directive-09062016.doc